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May 17, 2012

VIA ECFS

Marlene H. Dortch, Secretary
Federal Communications Commission
445 12th Street
Washington, D.C. 20554

Re: *Telecommunications Carriers Eligible for Universal Service Support*, WC Docket No. 09-197; *Lifeline and Link Up Reform and Modernization*, WC Docket No. 11-42

Dear Ms. Dortch:

On Wednesday, May 16, 2012, Lance Steinhart, John Nakahata, and Heather Kirby, on behalf of US CONNECT LLC (“US Connect” or the “Company”), as well as Stephen Scott, President of US Connect and Chris Criswell, a Company investor, spoke with Kimberly Scardino, Divya Shenoy, Garnet Hanley and Jonathan Lechter of the Telecommunications Access Policy Division. We discussed US Connect’s Compliance Plan as originally filed on February 15, 2012, and as amended on April 26, 2012.

Stephen Scott made a brief introduction and overview of the Company, and emphasized the Company’s commitment to comply with all FCC rules and to prevent waste, fraud, and abuse of the Lifeline program. We discussed US Connect’s operational experience and the Company’s financial and technical capability. We discussed specifically US Connect’s marketing strategy and enrollment process regarding community events and procedures regarding fraud prevention. Mr. Scott expressed the safety measures associated with Company events as well as its intent to target locations convenient to qualifying low-income consumers. We also discussed US Connect’s Certification Form and suggested changes.

Finally, US Connect agreed to have all suggested changes made to its Certification forms and Compliance Plan and to file a revised Compliance Plan.

Attached is a copy of the presentation deck that was provided at the meeting yesterday. Please contact me if you have any questions. Thank you.

Ms. Marlene H. Dortch
May 17, 2012
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Respectfully submitted,

/s/ LANCE STEINHART

Lance J.M. Steinhart
Attorney for US CONNECT LLC

Attachments

cc: Stephen Scott
Chris Criswell
John Nakahata
Kimberly Scardino
Divya Shenoy
Garnet Hanley
Jonathan Lechter

US Connect LLC



Presentation before the
Federal Communications Commission
May 16, 2012



Agenda

- **Introduction to US CONNECT LLC**
- **Financial Capability**
- **Technical Capability**
- **US CONNECT Lifeline Plans**
- **Marketing / Advertising Plan**
- **Enrolling Lifeline Customers**
- **Recertifying Lifeline Customers**
- **Preventing Waste, Fraud & Abuse**
- **Q & A**



US CONNECT LLC

Names and Identifiers used by US CONNECT LLC:

- **US CONNECT**
- **US CONNECT WIRELESS**



US CONNECT LLC

In compliance with newly amended section 54.202, US CONNECT certifies:

- **It will comply with the service requirements applicable to the support that it receives;**
- **It has the ability to remain functional in emergency situations;**
- **It will satisfy applicable consumer protection and service quality standards; and**
- **It is financially and technically capable of providing the Lifeline service.**



Financial Capability

US CONNECT is financially capable of providing the supported Lifeline service :

- **Financial Resources**
- **Already providing service in Arkansas, Maryland & West Virginia**



Technical Capability

US CONNECT is technically capable of providing the supported Lifeline service :

- Key Management Experience



US CONNECT lifeline plans

US CONNECT proposes a choice between three (3) Lifeline plans:

- **68 Monthly Minutes**
 - **125 Monthly Minutes**
 - **250 Monthly Minutes**
-
- **All plans include:**
 - **Free handset**
 - **Free calls to Customer Service**
 - **Free calls to 911 Emergency Services**
 - **Free Voicemail, Caller ID, and Call Waiting**
 - **Free Domestic Long Distance**



US CONNECT lifeline plans

PLAN	Free Monthly Minutes Included in Plan	Text Messaging Charge	Unused Minutes Carryover	Voice Mail Caller ID Call Waiting
A	68 minutes	3 text / 1 min	Yes – 12 months	Yes
B	125 minutes	1 text / 1 min	Yes – 3 months	Yes
C	250 minutes	1 text / 1 min	No	Yes

Additional bundles of minutes currently available:

\$5 = 35 minutes	\$10 = 75 minutes
\$20 = 160 minutes	\$30 = 270 minutes
\$50 = 700 minutes	



US CONNECT lifeline plans

Public Safety and 911 / E911 Access:

- **US CONNECT will ensure that all handsets used in connection with its Lifeline service are E911-compliant.**
- **US CONNECT will provide its Lifeline customers with access to 911 and E911 services:**
 - **through its underlying carrier, Sprint**
 - **at the time of Lifeline service initiation**
 - **regardless of activation status and minute availability**



Marketing / Advertising plan

All materials will :

- **Disclose company name under which it does business;**
- **Explain in clear, easily understood language the following:**
 - **Only eligible consumer may enroll in the program;**
 - **The program is limited to one benefit per household, consisting of either wireline or wireless service;**
 - **Lifeline is a government benefit program;**
 - **What documentation is necessary for enrollment;**
 - **Consumers who willfully make false statements in order to obtain the benefit can be punished by fine or imprisonment or can be barred from the program.**



Marketing / Advertising plan

US CONNECT intends to market its Lifeline service via:

- **Direct Response Radio**
- **Community Events**
- **Internet**





Enrolling lifeline customers

Eligibility Confirmation:

- 1. Confirm prospect's identity**
(see government issued picture ID)
- 2. Confirm program or income eligibility**
(see proof)
- 3. Confirm valid household address and whether permanent/temporary or multi-household**
(validate w/USPS)
- 4. Confirm prospect not currently receiving subsidy**
(ask prospect, perform duplicate check into an internal and pooled external database)
- 5. Confirm that eligible party has received the handset and has used it prior to seeking reimbursement**



Enrolling lifeline customers

End-User Education and Disclosures:

- Lifeline is a federal non-transferable benefit
- Lifeline service is available for only one line per household
- A household is defined, for Lifeline Program purposes, as any individual or group of individuals who live together at the same address and share income and expenses
- Households are NOT permitted to receive benefits from multiple providers
- Violation of the one per household limitation constitutes violation of the FCC's rules and will result in de-enrollment from the program, and potentially prosecution by the U.S. Government



Enrolling lifeline customers

End User Attestations:

- See Certification Form

US Connect LLC

LIFELINE APPLICATION

This signed authorization is required in order to enroll you in the Lifeline Program in your state. This authorization is only for the purpose of verifying your participation in these programs and will not be used for any other purpose. Service requests will not be processed until this form has been received and verified by Company. I authorize the company to access my records required to verify my statements on this form and to confirm my eligibility for the Lifeline program.

Things to know about the Lifeline Program:
(1) Lifeline is a federal benefit.
(2) Lifeline Service is available for only one line per household. A household cannot receive benefits from multiple providers; and
(3) A household is defined, for purposes of the Lifeline Program, as any individual or group of individuals who live together at the same address and share income and expenses.

Applicant Information

First Name: _____ MI: _____ Last Name: _____ Date of Birth: Month _____ Day _____ Year _____
Social Security Number (or Tribal ID Number): _____ (XXX-XX-XXXX) Contact Telephone Number: _____
Residence Address (No P.O. Boxes, must be your principal address): This address is ☐ Permanent ☐ Temporary ☐ Mobile Household

APT/ Floor/ Other _____ City: _____ State: _____ ZIP Code: _____
Billing Address (May Contain a P.O. Box)

APT/ Floor/ Other _____ City: _____ State: _____ ZIP Code: _____

I hereby certify that I participate in at least one of the following programs: (Check all that apply)

<input type="checkbox"/> Supplemental Nutrition Assistance Program (SNAP) <input type="checkbox"/> Supplemental Security Income (SSI) <input type="checkbox"/> Federal Public Housing Assistance <input type="checkbox"/> Low-Income Home Energy Assistance Program (LIHEAP) <input type="checkbox"/> National School Lunch Program <input type="checkbox"/> Temporary Assistance for Needy Families (TANF) <input type="checkbox"/> Medicaid	FOR OFFICE USE ONLY: Company Representative: _____ Documentation Verified: _____ Representative Signature: _____ Date: _____ Is this a multi-family dwelling? _____
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I certify that my household income is at or below 135% of the Federal Poverty Guidelines (FPG). There are _____ individuals in my household.

I certify, under penalty of perjury: *(initialed by Each Certification)*

_____ (1) The information contained in my application remains true and correct to the best of my knowledge and I acknowledge that willfully providing false or fraudulent information to receive Lifeline benefits is punishable by law and may result in me being barred from the program.
_____ (2) I am a current recipient of the program checked above, or have an annual household income at or below 135 percent of the Federal Poverty Guidelines.
_____ (3) I have provided documentation of eligibility if required to do so.
_____ (4) I understand that I and my household can only have one Lifeline-supported telephone service. US Connect has explained the one-per-household requirement from the Lifeline program, and could result in criminal prosecution by the United States Government.
_____ (5) I attest to the best of my knowledge, that I and no one in my household is receiving a Lifeline supported service from any other land line or wireless company such as Safelink, Assurance, or Reachout Wireless.
_____ (6) I understand my US Connect Lifeline service is a non-transferable. I may not transfer my service to any individual, including another eligible low-income consumer.
_____ (7) I understand that if my service goes unused for sixty (60) days, my service will be suspended, subject to a thirty (30) day period which I may use the service or contact US Connect to confirm that I want to continue receiving their service.
_____ (8) I will notify US Connect within thirty (30) days if I no longer qualify for Lifeline. I understand this requirement and may be subject to penalties if I fail to notify my phone company. Specifically, I will notify my company if:
(1) I cease to participate in the above federal or state program, or my annual household income exceeds 135% FPG.
(2) My household is receiving more than one Lifeline supported service;
(3) I no longer satisfy the criteria for receiving Lifeline support.
_____ (9) I will notify US Connect within thirty (30) days of moving. Additionally, if my address listed above is a temporary address, I understand that I must verify my address with US Connect every ninety (90) days. If I fail to respond to US Connect's address verification attempts within thirty (30) days, my US Connect Lifeline service may be terminated.
_____ (10) US Connect has explained to me that I am required each year to re-certify my continued eligibility for Lifeline. If I fail to do so within thirty (30) days, it will result in the termination of my US Connect Lifeline service.
_____ (11) I authorize and understand that US Connect may provide to state and Federal agencies, as required by law, for the purposes of complying with the Lifeline program, all the information related to my account including but not limited to my name, date of birth, social security, usage history, address and phone number.
_____ (12) I understand that my name, telephone number, date of birth, last four digits of my social security number, and address will be divulged to the Universal Service Administrative Company (USAC) and/or its agents for the purpose of verifying that I do not receive more than one Lifeline subsidy.
_____ (13) I understand that if USAC identifies I am receiving more than one Lifeline subsidy, all carriers involved may be notified so that I may select one service and be de-enrolled from the other.

APPLICANT'S SIGNATURE

DATE



Recertifying lifeline customers

Annual Recertification Compliance:

- **US CONNECT commits to re-certify the eligibility of all Lifeline customers (as of June 1, 2012) by the end of 2012 and report the results to USAC by January 31, 2013.**
- **US CONNECT will continue to re-certify all active Lifeline customers by the annual anniversary of their enrollment.**
- **All customers who fail to respond to the annual certification request within 30 days will be given additional notice that they have 30 more days to respond. If there is still no response, they will be de-enrolled from the Lifeline program.**
- **In addition, US CONNECT will continue to follow any state-specific requirements.**



Preventing waste, fraud & abuse

- **US CONNECT utilizes a diligent Enrollment Process**
- **US CONNECT's business model primarily employs direct, high quality contact (at events or over the phone/internet)**
- **US CONNECT will not seek reimbursement until a customer has personally activated service (by initiation and/or usage)**
- **US CONNECT has a 60-day non-usage policy**
- **US CONNECT emphasizes compliance in all aspects of the Lifeline program – marketing, enrollment procedures, representative training, process documentation, non-usage/de-enrollment procedures**



Preventing waste, fraud & abuse

Additional Measures to prevent Waste, Fraud & Abuse:

- **Duplicates Database**
 - **CGM, LLC**
 - **National Database, when in place**
- **Provide customer data to PUCs, FCC, and USAC**
- **Independent Biennial Audits***
 - ***if US CONNECT draws \$5 million+ on an annual basis**

US Connect LLC



Questions?